PRICING

2/26

- Premium and Discount pack prices remained stable since mid-December. This week, Doral prices were lowered in more stores (10%) than prices were raised (6%).

- In C-Stores, both Marlboro and Lowest Discount pack prices have remained stable at approximately $1.92 and $1.34, respectively since early December, with the price gap ranging between 41% and 43%.
    - Week to week, the resulting price gap increased +1¢ to 58¢ or 43.3%.

- In Supermarkets, net carton prices increased more on Lowest Discount brands (+7¢ to $11.73) than on Marlboro (+3¢ to $16.36). The resulting price gap decreased -4¢ to $4.63 or 39.5%

- 99¢ incidence at 14% this week, has remained between 13-14% for the past seven weeks. Incidence decreased in regions 1 and 4 and increased in regions 2, 3, and 5.

- Basic's price gap with the Lowest Discount brand is more than 10¢ in 64% of C-Stores, (up +4 points), marking the first increase after four weeks of stability, with a majority of these increases evident in Region 5.
    - Basic's price gaps of >10¢ are most prevelant in Region 3 (75%).

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Source: https://www.industrydocuments.ucsf.edu/docs/kxpk0000

Premium and Discount pack prices remained stable, while Doral experienced the most price movement.

	% of C-stores		
	Unchanged	Increased	Decreased
Marlboro	96%	2%	2%
Basic	95%	3%	2%
Doral	84%	6%	10%
GPC	90%	5%	5%
RJR P/L	98%	1%	1%
Lowest Discount	87%	5%	8%
Marlboro Gap *	85%	8%	7%
Basic Gap **	85%	9%	6%

* Marlboro vs. Lowest Discount brand in same store.

** Basic vs. Lowest Discount brand in same store.

2023656680

SOURCE: NIELSEN PRICING AUDIT

Source: https://www.industrydocuments.ucsf.edu/docs/kxpk0000

In C-stores, Premium pack prices increased while Lowest Discount remained unchanged. In Supermarkets, both Premium and Lowest Discount carton prices increased.

C-STORE PACKS

	2/5	2/12	2/19	2/26	Change Prior Week
Marlboro (net)	$1.92	$1.91	$1.91	$1.92	$0.01
Lowest Discount	1.35	1.35	1.34	1.34	$0.00
$ Gap	0.57	0.56	0.57	0.58	$0.01
% Gap	42.2%	41.5%	42.5%	43.3%	0.7%

SUPERMARKET CARTONS

Marlboro (net)	$16.35	$16.35	$16.33	$16.36	$0.03
Lowest Discount	11.76	11.76	11.66	11.73	$0.07
$ Gap	4.59	4.59	4.67	4.63	($0.04)
% Gap	39.0%	39.0%	40.1%	39.5%	-0.6%

SOURCE: NIELSEN PRICING AUDIT

2023656681

Source: https://www.industrydocuments.ucsf.edu/docs/kxpk0000

Marlboro's net pack price gap with Lowest Discount decreased in region 1 and increased in all other geographies.

	2/26				Change From 2/19
	Marlboro	Lowest Discount	$ GAP	% GAP	
NATIONAL	1.92	1.34	$0.58	43.3%	$0.01
R1	2.10	1.58	$0.52	32.9%	($0.01)
R2	1.79	1.21	$0.58	47.9%	$0.02
R3	1.91	1.33	$0.58	43.6%	$0.01
R4	1.79	1.26	$0.53	42.1%	$0.01
R5	2.08	1.38	$0.70	50.7%	$0.01

SOURCE: NIELSEN PRICING AUDIT

2023656682

Source: https://www.industrydocuments.ucsf.edu/docs/kxpk0000

Nationally, ≤99¢ incidence increased +1 point to 14%. Incidence decreased in regions 1 and 4 and increased in regions 2,3, and 5.

	2/26	Change vs. 1 WAGO	Change vs. 4 WAGO	Weighted Avg. State Tax
NATIONAL	14.2%	1.0	0.5	$0.29
R1	0.0%	-1.4	-2.8	$0.43
R2	25.3%	1.3	-0.3	$0.18
R3	14.1%	4.8	3.6	$0.31
R4	17.0%	-4.5	-1.1	$0.26
R5	9.4%	6.3	3.2	$0.33

NOTE: Incidence has been restated to reflect all Discount brands instead of only Deep Discount brands.

SOURCE: NIELSEN PRICING AUDIT

2023656683

Source: https://www.industrydocuments.ucsf.edu/docs/kxpk0000

Across all common C-stores, Basic's NET average pack price gap with the Lowest Discount brand increased after 4 weeks of stability.

	2/5	2/12	2/19	2/26	Change vs. Prior Week
Basic	$1.53	$1.53	$1.53	$1.53	$0.00
Same Store Gaps					
GPC	0.11	0.12	0.12	0.12	0.00
Monarch	0.06	0.06	0.06	0.06	0.00
Lowest Discount	0.19	0.19	0.19	0.20	0.01

SOURCE: NIELSEN PRICING AUDIT

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Source: https://www.industrydocuments.ucsf.edu/docs/kxpk0000

The number of stores where Basic's pack price > Lowest Discount increased after 4 weeks of stability.

Basic vs. Lowest Discount in C-stores

	2/5	2/12	2/19	2/26
# SAME STORES	327	329	328	323
BASIC > LOWEST DISC. BY 10¢*				
# STORES	199	198	198	207
% STORES	61%	60%	60%	64%
PRICE DISADVANTAGE *				
AVG. $	$0.30	$0.30	$0.30	$0.31
MAXIMUM	$0.90	$0.70	$0.70	$0.86
MINIMUM	$0.11	$0.11	$0.11	$0.11

* All comparisons are based on stores with both brands in distribution.
** Price disadvantage ONLY in stores where Basic's price >Lowest Discount by more than 10¢.

SOURCE: NIELSEN PRICING PANEL

2023656685

Source: https://www.industrydocuments.ucsf.edu/docs/kxpk0000

The number of stores where Basic's pack price > GPC by more than 10¢ remained relatively unchanged.

Basic vs. GPC in C-stores

	2/5	2/12	2/19	2/26
# SAME STORES	201	208	206	212
BASIC > GPC by 10¢*				
# STORES	84	92	84	88
% STORES	42%	44%	41%	42%
PRICE DISADVANTAGE *				
AVG. $	$0.24	$0.25	$0.25	$0.26
MAXIMUM	$0.68	$0.68	$0.68	$0.70
MINIMUM	$0.14	$0.11	$0.11	$0.11

* All comparisons are based on stores with both brands in distribution.
** Price disadvantage ONLY in stores where Basic's price > GPC by more than10¢.

SOURCE: NIELSEN PRICING PANEL

2023656686

Source: https://www.industrydocuments.ucsf.edu/docs/kxpk0000